

FISCAL NOTE

HB 1406 - SB 1684

April 3, 2001

SUMMARY OF BILL: Makes technical corrections to the franchise and excise tax laws. Adjusts apportionment of net earnings and worth used for excise and franchise taxes. Establishes a one-year time limit for excise and franchise tax refund claims.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - Not Significant

Estimate assumes:

- refunds not claimed within the one-year time limit can still be taken as a credit against future taxes by the taxpayer.
- a not significant increase in state revenues from interest earnings on funds that remain invested by the state for longer periods of time as a result of some taxpayers failing to claim the refund within the one-year time period. Such taxpayers would be required to recoup such overpayments as credits to be taken against future taxes.
- to the extent that a business failed to claim the refund within the one-year time limit and was unable to take the full amount of the credit for any reason, there would be an increase in revenues to the state. However such occurrences are estimated to be few and any impact on state revenues is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

HB 1406 - SB 1684